

1 CHRISTOPHER B. GHIO (259094)
2 Christopher.Ghio@dinsmore.com
3 JEREMY B. FREEDMAN (308752)
4 Jeremy.Freedman@dinsmmore.com
5 DINSMORE & SHOHL LLP
6 655 West Broadway, Suite 800
7 San Diego, California 92101
8 Tele: 619.400.0500
9 Fax: 619.400.0501

10 Special Counsel to Richard A. Marshack, Chapter 11 Trustee
11 for the Bankruptcy Estate of The Litigation Practice Group PC

12 **UNITED STATES BANKRUPTCY COURT**

13 **CENTRAL DISTRICT OF CALIFORNIA**

14 **SANTA ANA DIVISION**

15 In re:

16 Case No.: 8:23-bk-10571-SC

17 THE LITIGATION PRACTICE GROUP P.C.,

18 Chapter 11

19 Debtor.

20 **SUPPLEMENTAL DECLARATION OF**
21 **JEREMY B. FREEDMAN IN SUPPORT OF**
22 **MOTION FOR ORDER APPROVING**
23 **COMPROMISE OF CONTROVERSY**
24 **PURSUANT TO FEDERAL RULE OF**
25 **BANKRUPTCY PROCEDURE 9019 AS TO**
26 **DEFENDANT OPTIMUMBANK AND**
27 **OPTIMUMBANK HOLDINGS, INC**
28 **(“OPTIMUM”)**

29 Date: September 12, 2024
30 Time: 10:00 a.m.
31 Judge: Hon. Scott C. Clarkson
32 Place: Courtroom 5C
33 411 West Fourth Street
34 Santa Ana, California 92701

1 I, JEREMY B. FREEDMAN, declare:

2 1. I am an attorney at law duly licensed to practice law by the State Bar of California and
3 admitted to practice before this Court. I am an associate with the law firm of Dinsmore & Shohl LLP,
4 serving as Special Counsel to Richard A. Marshack, Chapter 11 Trustee for the Bankruptcy Estate of
5 The Litigation Practice Group PC. I make this declaration in support of the Motion for Order
6 Approving Compromise of Controversy Pursuant to Federal Rule of Bankruptcy Procedure 9019 As
7 to Defendant OptimumBank and OptimumBank Holding, Inc. (the “Optimum 9019 Motion”) and in
8 opposition to Consumer Legal Group, PC’s (“CLG”) opposition thereto. I have personal knowledge
9 of the facts contained in this declaration, and if called upon to testify, I could and would testify
10 competently thereto.

11 2. I have access to the records produced as a result of the Court’s TRO, Preliminary
12 Injunction, discovery and records produced informally to the Trustee. I have not modified any of the
13 evidence attached hereto. As Alex Rubin has previously testified none of the databases, accounts,
14 evidence or communications obtained by the Trustee have been modified other than to change the
15 administrative login credentials pursuant to the lock out order. See 1046 Dkt. Nos. 325-4 at ¶ 1; 493-
16 10 at ¶ 1 and 572 at ¶ 5.

17 3. Pursuant to the declaration of Brad Lee [1046 Dkt No. 325-5: the following email
18 addresses are registered to those listed beside them:

19 (a) admin@lpqlaw.com / tony@coastprocessing.com is registered to Tony Diab;
20 (b) admin@greysonlawpc.com / admin@greysonpc.com / han@lpqlaw.com is
21 registered to Han Trinh; and
22 (c) General Counsel / gc@greysonlawpc.com is registered to Jayde Trinh.

23 4. Attached hereto is a true and correct copy of an email string between Tony Diab
24 (“Diab”), Han Trinh (“Han”), Jason Rebhun (“Rebhun”) and Sam Geiger (“Geiger”) as **Exhibit 1**.

25 5. Attached hereto is a true and correct teleconference invite between Diab, Han, Rebhun,
26 Geiger and others at CLG as **Exhibit 2**.

27
28

1 6. Attached hereto is a true and correct copy of an email dated April 6, 2023 from Haley
2 Simmoneau at LPG to Dan March and Tony Diab regarding the handling of a fraudulent transfer of
3 an LPG client to either CLG or Phoenix Law, PC as **Exhibit 3**.

4 7. Attached hereto is a true and correct copy of an email dated March 22, 2023 regarding
5 the placement of a fraudulently transferred filed with CLG that was rejected and then transferred to
6 Phoenix as **Exhibit 4**.

7 8. On or about June 2, 2023, the Trustee served Optimum and CLG with the Court's
8 Temporary Restraining Order [1046 Dkt. No. 13]. CLG and Optimum were similarly served with the
9 Court's Preliminary Injunction Order on or about June 23, 2023.

10 9. Attached hereto is true and correct copy of a letter dated April 24, 2024 provided
11 directly to me by counsel for Optimum and addressed to CLG and its principals Shlome Feig and
12 Aryeh Weber as **Exhibit 5**. Similarly, attached hereto is a true and correct copy of a letter dated April
13 24, 2024 provided directly to me by counsel for Optimum and addressed to LGS Holdco, LLC and
14 its principals Shlome Feig and Aryeh Weber as **Exhibit 6**.

15 10. Since the court entered its TRO and Preliminary Injunction Order the Trustee by and
16 through my office have requested CLG produce certain records, access to its Client Relations
17 Management system and other records as required by the Court's orders. In addition to compliance
18 with the TRO and Preliminary Injunction, the Trustee sought such records in an effort to reach a
19 potential resolution of his claims as against CLG and LGS Holdco, LLC. Despite numerous promises
20 of providing the required information, Trustee has to date not been provided with most of the records
21 and has received very little information from CLG. Notwithstanding, CLG recently substituted in
22 new counsel, who has provided access to CLG's CRM as of the date of this declaration and
23 warranted additional records will be provided to the Trustee as requested.

24 I declare under penalty of perjury under the laws of the United States of America that the
25 foregoing is true and correct.

26 Executed this 10th day of September 2024, at San Diego, California.

27

28

/s/ Jeremy B. Freedman
JEREMY B. FREEDMAN

EXHIBIT 1

Yones, Wendy

From: Jason Rebhun <j.rebhun@consumerlegalgroup.com>
Sent: Thursday, February 2, 2023 2:02 PM
To: Han Trinh
Cc: Sam Geiger; Admin
Subject: Re: General

Do you have a form letter or a template when you engage local counsel and send over a file to defend?

On Thu, Feb 2, 2023, 16:05 Han Trinh <han@lpqlaw.com> wrote:

Kindest Regards,

Han Trinh

Managing Director
The Litigation Practice Group PC
P.O. Box 513018
Los Angeles, CA 90051
p: 949.715.0644
f: 949.315.4332
www.lpqlaw.com

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From: Sam Geiger <sam@consumerlegalgroup.com>
Sent: Thursday, February 2, 2023 1:01 PM
To: Jason Rebhun <j.rebhun@consumerlegalgroup.com>; Han Trinh <han@lpqlaw.com>; Admin <admin@lpqlaw.com>
Subject: Re: General
Ready?
On Feb 2, 2023, 3:38 PM -0500, Admin <admin@lpqlaw.com>, wrote:

I am sorry, we are running behind. Is 1:00 pm ok?

Thanks!

The Litigation Practice Group PC
17542 E. 17th St., Ste 100
Tustin, CA 92780
p: 949.715.0644
f: 949.315.4332
www.lpqlaw.com

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From: Sam Geiger <sam@consumerlegalgroup.com>

Sent: Thursday, February 2, 2023 12:36 PM

To: Admin <admin@lpglaw.com>; Jason Rebhun <j.rebhun@consumerlegalgroup.com>; Han Trinh <han@lpglaw.com>

Subject: Re: General

Hi Han,

We are in the meeting are you joining?

Google Meet joining info

Video call link: <https://meet.google.com/zmc-hxsu-upf>

Best,

On Wed, Feb 1, 2023 at 7:47 AM Sam Geiger <sam@consumerlegalgroup.com> wrote:

Good Morning,

Perfect. Conforming 12:30 tomorrow. I will send a meeting invite.

Looking forward.

Best,

Sam

On Feb 1, 2023, 12:56 AM -0500, Han Trinh <han@lpglaw.com>, wrote:

Hello!

I'm available any time after 12:30PM on Thursday! Does that work for both of you?

Kindest Regards,

Han Trinh

Managing Director

The Litigation Practice Group PC

P.O. Box 513018

Los Angeles, CA 90051

p: 949.715.0644

f: 949.315.4332

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From: Admin <admin@lpglaw.com>

Sent: Tuesday, January 31, 2023 9:28:29 PM

To: Sam Geiger <sam@consumerlegalgroup.com>; Jason Rebhun <j.rebhun@consumerlegalgroup.com>

Cc: Han Trinh <han@lpglaw.com>

Subject: Re: General

Gen Han -

Please meet Jason and Sam. We are going to do a training no lawsuit assignment and tracking on Thursday. Please let the group know what times work for you!

Thanks!

The Litigation Practice Group PC

17542 E. 17th St., Ste 100

Tustin, CA 92780

p: 949.715.0644

f: 949.315.4332

www.lpglaw.com

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From: Sam Geiger <sam@consumerlegalgroup.com>

Sent: Tuesday, January 31, 2023 7:11 PM

To: Admin <admin@lpglaw.com>; Jason Rebhun <j.rebhun@consumerlegalgroup.com>

Subject: General

Hi Tony,

Can you plz add the general to this thread so we can set up a call for Thursday?

Many thanks,

Sam

--

Sam Geiger

Consumer Legal Group

 sam@consumerlegalgroup.com

 consumerlegalgroup.com

 11 Broadway, New York, NY 10004



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EXHIBIT 2

Yones, Wendy

Subject: Legal Intro CLG

Start: Thu 2/2/2023 12:30 PM
End: Thu 2/2/2023 2:00 PM

Recurrence: (none)

Meeting Status: Accepted

Organizer: sam@consumerlegalgroup.com

When

Thursday Feb 2, 2023 · 3:30pm – 5pm (Eastern Time - New York)

[Join with Google Meet](#)

Guests

sam@consumerlegalgroup.com - organizer
j.rebhun@consumerlegalgroup.com
juan@consumerlegalgroup.com
han@lpglaw.com
shira@consumerlegalgroup.com
tal@consumerlegalgroup.com

[View all guest info](#)

Meeting link

meet.google.com/zmc-hxsu-upf

Join by phone

(US) [+1 252-656-5316](tel:+12526565316)
PIN: 964906673

[More phone numbers](#)

Reply for han@lpglaw.com

Yes	No	Maybe
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[More options](#)

Invitation from [Google Calendar](#)

You are receiving this email because you are an attendee on the event. To stop receiving future updates for this event, decline this event.

Forwarding this invitation could allow any recipient to send a response to the organizer, be added to the guest list, invite others regardless of their own invitation status, or modify your RSVP. [Learn more](#)

EXHIBIT 3

Yones, Wendy

From: Haley Simmoneau <HSimmoneau@lpglaw.com>
Sent: Thursday, April 6, 2023 3:30 PM
To: Hari Trivedi; dan@litigationpracticegroup.com; tony@coastprocessing.com
Subject: Re: Re:

With the information that has been provided, your file was transferred to one of the following organizations.
The below contact information was found online:

Consumer Legal Group:
Email: support@consumerlegalgroup.org
Phone: (212) 920-1247
PO BOX 412
Elmsford, NY 10523

Phoenix Law Group:
Email: service@phoenixlaw.co
Phone: (424) 622-4044
6080 Center Drive, 6th
Los Angeles, CA 90045

If you have been charged by any entity and you DID NOT sign up with them, please contact your bank immediately and report the charges as fraudulent. Any questions regarding your contract and/or payments with Litigation Practice Group may be emailed to Support@lpglaw.com.

Thank you for your understanding and patience.

From: Hari Trivedi <[REDACTED]>
Sent: Tuesday, April 4, 2023 8:18 PM
To: dan@litigationpracticegroup.com <dan@litigationpracticegroup.com>; Haley Simmoneau <HSimmoneau@lpglaw.com>; tony@coastprocessing.com <tony@coastprocessing.com>
Subject: Re:

I understand LPG has filed for bankruptcy and files have been transferred-to which office have my files been transferred-please notify via email- thx.

On Thu, Mar 23, 2023 at 10:04 AM Hari Trivedi <[REDACTED]> wrote:
| Got this message think it's related to the BHG issue, if not the SoFi issue

EXHIBIT 4

Yones, Wendy

From: Legal
Sent: Wednesday, March 22, 2023 10:29 AM
To: Han Trinh; Reid Wood; Admin
Cc: Attorney
Subject: Fw: [CLG] Re: Fw: Notice of Transition of Legal Services

This file also was declined for enrollment with CLG and is now with Phoenix. Counsel has been emailed for an update on CL's current active matters.

CL wants a phone call about the transfer. Thank you.

The Litigation Practice Group PC

P.O. Box 513018
Los Angeles, CA 90051

p: 949.715.0644

f: 949.315.4332

www.lpglaw.com



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From: judith tellier <[REDACTED]>

Sent: Wednesday, March 22, 2023 10:11 AM

To: Legal <legal@lpglaw.com>; Customer Service Requests <cs@lpglaw.com>; Katherine Garcia Bonilla <katherine@lpglaw.com>; Rachel Roll <rroll@lpglaw.com>; Document Support <support@lpglaw.com>

Subject: Fw: [CLG] Re: Fw: Notice of Transition of Legal Services

I would like a solid explanation of what is happening with my account. I am emailing to names that I have in order to get a response from someone. I am very frustrated at this point and would like full list of my accounts in your hands and where we are at with all of them. I have made all my payments toward a resolution of my debt and believe I am owed information I am asking for.

This is making me very nervous.

[Sent from Yahoo for iPhone](#)

Begin forwarded message:

On Wednesday, March 22, 2023, 12:44 PM, Samantha Rodriguez (CLG) <support@consumerlegalgroup.zendesk.com> wrote:

Hello Judith,

We hope this email finds you well. You were recently informed by Litigation Practice Group that your file has been transitioned to another firm. **However, that transition was made in error. LPG continues to represent you and your case.**

Please disregard all documents we have sent over stating that we are your new law firm. We apologize and understand your frustration and concerns regarding this error. For further information on your account please contact Litigation Practice Group.

Once again, please accept our apologies for any inconvenience this may have caused. Thank you for your cooperation and patience.

Have a wonderful day.

Best Regards,
Samantha

This email is a service from CLG. Delivered by [Zendesk](#)

On March 21, 2023 at 4:48:26 AM UTC, judith tellier [REDACTED] wrote:

----- Forwarded Message -----

From: judith tellier <[REDACTED]>
To: LPG Law <support@lpglaw.com>
Sent: Tuesday, March 21, 2023 at 12:37:11 AM EDT
Subject: Re: Notice of Transition of Legal Services

I just tried to send a document and it was returned.
I will try again but also had sent this message below.

I received this email about the legal rep change. I am very disappointed in what was agreed in court. I did not expect to be paying out as much as this. When I started this in my discussions I was lead to believe my debt would be taken care of. I have been paying twice a month which has

added up and thought the communication and the outcome would be better. I have asked for a list of my debt and where we are with each one emailed to me by the attorney and LPG and have not received it. I have no idea exactly where my account is at this point. There recently was an error where LPG took a payment out twice which cause my account to be negative and I had a bank charge. I tried to call but was disconnected multiple times and also emailed with no response. I wasn't sure how this was effecting my payments and only knew when the next payment went through.

I would like something emailed to me with exactly where my account is as of today.

If I now have to make payments on an account what is LPG responsible for?

Please send me answers asap so I know what is going on and when this will be complete.

On Wednesday, March 1, 2023 at 07:02:51 PM EST, LPG Law <support@lpglaw.com> wrote:



Hello Judith!

On behalf of the entire LPG team, I would like to extend my sincerest apologies for the poor customer service experience that you have recently experienced with our company. I understand that we have not met your expectations, appreciate your patience and understanding as our company works to improve our customer service.

Litigation Practice Group takes full responsibility for the inadequate service you have received, and I assure you that we are taking immediate steps to address the situation.

After careful consideration, I have decided to transfer your file in order to ensure that you receive the best legal services in the industry. Your legal services will be transferred to Consumer Legal Group ("CLG"), a law firm I know and trust, and have worked extensively with in past.

This law firm, which is larger and more experienced in the area of consumer rights, is based in Manhattan and has expertise fighting the largest banks and creditors in the nation. Its reputation has been built by attorneys across the country with a combined experience of more than 100 years of providing legal services to clients of all types. This transition will allow CLG, which I have worked with multiple times during my career, to manage your account and continue to provide a high level of service to you throughout your debt resolution process.

Based on a negotiation I managed to complete, the terms of your agreement will remain the same, and you will not be required to pay anything more than what was agreed in your contract. All your payments have been credited, and your monthly payment will remain on the same day and in the same amount. The length of your program and contract are also the same. To be clear, your payment, the length of your program, and the services that you are offered will remain exactly the same and comes with a guarantee that if your debts are not resolved at the conclusion of your program, you will receive a full refund of the fees paid toward such debts. Just as with Litigation Practice Group, CLG will represent you in any lawsuit filed against you without any additional cost to you.

This transfer will be completed today, on February 28, 2023, and a representative from CLG will reach out to you to welcome you to their law firm. Consumer Legal Group can be reached at 212-920-1247 or support@consumerlegalgroup.com should you wish to contact them. I wish you the best of luck and success in completion of your journey to being debt free.

Regards,
Daniel S. March

A handwritten signature in black ink, appearing to read "Daniel S. March".

The Litigation Practice Group
P.O. Box 513018
Los Angeles, CA 90051-1018

<https://litigationpracticegroup.com>

TO SPEAK WITH A TEAM MEMBER:

Call 949-229-6262 or Email support@lpqlaw.com.



CONFIDENTIALITY AND DISCLAIMER NOTICE:

This email is intended for clients of the The Litigation Practice Group; also known as LPG. LPG is a debt resolution law firm, not a debt settlement company. We do not settle, consolidate, reduce, or pay your debts or offer any sort of loans or financing. Just a reminder that you are receiving this email because you are our client. This e-mail and any attachments are intended for the exclusive use of the intended recipient. If you are not the intended recipient, please delete this email. If you received this email in error, please notify the sender immediately by calling 949-229-6262, then delete this e-mail and any attachments. Any unauthorized use, dissemination, forwarding, printing, or copying of this email is strictly prohibited. Nothing contained in this email shall form the basis of an attorney-client relationship or constitute a waiver of any privilege.

This email was sent by The Litigation Practice Group, P.O. Box 513018

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[View this email in your browser](#)

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EXHIBIT 5

IGLER | PEARLMAN P.A.
ATTORNEYS AT LAW

April 24, 2024

Mr. Shlome Feig
Mr. Aryeh Weber
Consumer Legal Group PC
11 Broadway Avenue, Suite 300
New York, NY 10004-1398
Consumer Legal Group PC dba Legal Fees
4717 16th Avenue
Brooklyn, NY 11204-1107
solomon@mcafundinggroup.com
sam@consumerlegalgroup.org

VIA FEDERAL EXPRESS & EMAIL

Re: OptimumBank – Consumer Legal Group PC Account Relationship
Operating Accounts: Consumer Legal Group PC – Account # Ending (8246), Consumer Legal Group PC DBA Legal Fees – Account # Ending (8799)
Reserve Account: Consumer Legal Group PC – Account # Ending (8253)

Dear Mr. Feig and Mr. Weber:

We represent OptimumBank (the “Bank”). Effective immediately, the Bank has terminated your access to ACH origination services due to repeated violations of the Nacha Operating Rules and repeated fraudulent or unauthorized pushed ACH debits.

For debit transactions processed against non-consumer accounts, the Nacha Operating Rules allow financial institutions, on behalf of their customers, to make claims that ACH debit payments were not authorized for one year from the date of the debit. This deadline is two years for consumer accounts. Due to fraudulent transactions processed through the listed operating account(s), as well as repeated violation of the Nacha Operating Rules, the Bank will maintain the referenced account(s) but has terminated access to ACH origination services.

Going forward, upon the Bank’s receipt of a Proof of Authorization request from another financial institution, the Bank will contact you to obtain evidence of authorization. If proper evidence is provided by you and accepted by the other financial institution, the Bank will reject returned transactions. If proper evidence is not provided by you or if the financial institution states their customer was defrauded, the Bank will accept the returned transaction(s), which will be debited from your reserve account. The Bank will also debit from the reserve account any fines imposed by Nacha related to your accounts.

Once authorized by the bankruptcy court, the Bank will close your operating accounts. The Bank will maintain your reserve account until two years from the last pushed consumer debit.

Sincerely,

IGLER AND PEARLMAN, P.A.



Richard Pearlman

EXHIBIT 6

IGLER | PEARLMAN P.A.
ATTORNEYS AT LAW

April 24, 2024

Mr. Shlome Feig
LGS Clearinghouse LLC
35 W. 9th Street
Brooklyn, NY 11231-2501
KLYR Capital Inc
40 Wall Street, Suite 2919
New York, NY 10005-1304
Colegg LLC
4714 16th Avenue
Brooklyn, NY 11204-1197
solomon@mcafundinggroup.com

VIA FEDERAL EXPRESS & EMAIL

Re: OptimumBank – LGS Clearinghouse LLC Account Relationship

Operating Accounts: LGS Clearinghouse LLC DBA CLG Processing – Account # Ending (5191), LGS Clearinghouse LLC DBA Consumer Legal Group – Account # Ending (5209), LGS Holdco LLC – Account # Ending (4673)

OptimumBank – KLYR Capital Inc Account Relationship

Operating Account: KLYR Capital Inc – Account # Ending (5274)

Reserve Account: KLYR Capital Inc – Account # Ending (5282)

OptimumBank – Colegg LLC Account Relationship

Operating Account: Colegg LLC DBA Phoenix LG Fee – Account # Ending (0811)

Dear Mr. Feig:

We represent OptimumBank (the “Bank”). Effective immediately, the Bank has terminated your access to ACH origination services due to repeated violations of the Nacha Operating Rules and repeated fraudulent or unauthorized pushed ACH debits. Due to fraudulent transactions processed through the listed operating account(s), as well as repeated violation of the Nacha Operating Rules, the Bank will maintain the referenced account(s) but has terminated access to ACH origination services.

Going forward, upon the Bank’s receipt of a Proof of Authorization request from another financial institution, the Bank will contact you to obtain evidence of authorization. If proper evidence is provided by you and accepted by the other financial institution, the Bank will reject returned transactions. If proper evidence is not provided by you or if the financial institution states their customer was defrauded, the Bank will accept the returned transaction(s), which will be debited from your reserve account. The Bank will also debit from the reserve account any fines imposed by Nacha related your accounts.

Once authorized by the bankruptcy court, the Bank will close your operating and reserve accounts.

Sincerely,

IGLER AND PEARLMAN, P.A.



Richard Pearlman